



United States
Department
of Agriculture

WHS-10d

April 13, 2010



A Report from the Economic Research Service

www.ers.usda.gov

Wheat Outlook

Gary Vocke

gvocke@ers.usda.gov

Edward Allen

ewallen@ers.usda.gov

Olga Liefert

oliefert@ers.usda.gov

Ending Stocks Up on Lower Domestic Use and Exports

USDA's National Agricultural Statistics Service (NASS), in its March 31 *Prospective Plantings*, reported that all wheat planted area is forecast at 53.8 million acres, down 9 percent from that of 2009.

U.S. wheat ending stocks for 2009/10 are projected 51 million bushels lower with higher expected domestic use and exports. Projected feed and residual use is raised 10 million bushels as the March 1 stocks indicated higher-than-expected disappearance during the December 2009-February 2010 quarter. Seed use is projected 1 million bushels higher based on state level seedings as indicated by the March 31 *Prospective Plantings* report. Exports are projected up 40 million bushels based on the strong pace of grain, flour, and product shipments in recent weeks, current outstanding sales, and reduced export prospects for some key competitors. By-class export projections are raised for hard red winter, hard red spring, and durum wheat. The projected marketing-year average farm price range is narrowed 5 cents on both ends to \$4.85 to \$4.95 per bushel.

U.S. wheat exports are increased 1.0 million tons this month to 23.5 million as the pace of exports and sales of grain, flour and products on a wheat equivalent basis has increased in recent months. World wheat trade is increased 0.7 million tons this month. Wheat exports from Australia, Canada, and Russia are down, while EU-27, Turkey, and U.S exports are boosted. Global ending stocks are down 1.0 million tons mostly due to a 1.4-million-ton reduction of stocks in the United States.

Contents

[Domestic Outlook](#)

[Intl. Outlook](#)

[Special Article](#)

[Contacts & Links](#)

Tables

[Supply & Use by Year](#)

[Supply & Use by Class](#)

[Quarterly Supply & Use](#)

[Monthly Food Use National Avg.](#)

[Prices](#)

[Prices Received by Farmers by Class](#)

[Cash Grain Bids](#)

[Exports & Imports](#)

[Census & Exports](#)

Web Sites

[WASDE](#)

[Grain Circular](#)

[Wheat Briefing Room](#)

The next release is
May 13, 2010.

Approved by the
World Agricultural
Outlook Board.

Domestic Situation and Outlook

Prospective Wheat Plantings for 2010 Down From 2009 Plantings

Winter wheat. The 2010 winter wheat planted area is estimated at 37.7 million acres, 13 percent below last year, but up 2 percent from the previous estimate in the NASS January 12 *Winter Wheat Seedings* report. This is the lowest U.S. total since 1970 and record lows are estimated in Illinois, Indiana, Missouri, Nebraska, and Ohio. States with notable acreage increases from the previous estimate were Nebraska and Texas, up 100,000 and 200,000 acres, respectively. Of the 2010 total acreage, 28.3 million acres are hard red winter (**HRW**), 11 percent below last year; 6.0 million acres are soft red winter (**SRW**), 28 percent below last year; and 3.4 million acres are **white winter**, 2 percent above last year. To put the SRW decline in perspective, the SRW planted area last year was the largest since 1969/70.

Other spring wheat. Growers intend to plant 13.9 million acres this year, up 5 percent from that of 2009. Of the total, 13.3 million acres are hard red spring (**HRS**) wheat. The largest expected acreage increases are in Montana and North Dakota, up 400,000 and 250,000 acres, respectively. Growers in Minnesota intend to plant 100,000 fewer acres than last year.

Durum wheat. Area seeded to **durum** wheat for 2009 is expected to total 2.22 million acres, down 13 percent from that of 2009. Planted acreage is expected to be down in all producing States except Idaho. Growers in North Dakota and Montana intend to reduce acreage from last year by 150,000 and 70,000 acres, respectively.

White wheat. Soft white wheat planted area is expected to be 3.64 million acres for 2010, up from 3.56 million acres in 2009. **Hard white** wheat planted area is expected to be 0.44 million acres for 2010, nearly the same as the .45 million acres in 2009.

Supply and Use for 2009/10

Total supplies for 2009/10, at 2,988 million bushels, are unchanged from March. Supplies for 2009/10 are up 56 million bushels from the previous year as much higher beginning stocks more than offset lower production and projected imports. By-class supplies are changed from March because of **class import changes** based on the pace to date. SRW imports are raised 5 million bushels. Offsetting this increase are a 3-million-bushel decrease for durum and a 2-million-bushel decrease for HRS.

Total projected use for 2009/10 is up 51 million bushels month-to-month to 2,038 million bushels because of higher domestic use and higher exports. Total use for 2009/10 is down 237 million bushels from the previous year because of both lower domestic use and lower exports.

Projected **food use**, at 920 million bushels, is unchanged from March but down 7 million bushels year to year. The flour extraction rate for 2009/10 remains at the very high level of the 2008/09 marketing year, but per capita flour consumption is expected to be down significantly year to year. The expected lower per capita consumption more than offsets the larger U.S. population.

Projected **seed use** is slightly higher from March at 73 million bushels. Seed use is low because of the smallest winter wheat plantings since 1970. Seedings were down as rain-delayed row crop harvesting preventing plantings and prices were lower year to year at planting time. Total projected **feed and residual use**, at 180 million bushels, is up 10 million bushels month to month because of lower-than-expected third-quarter ending stocks. The increase was allocated to the HRS feed and residual use, and assumed to be residual use.

All-wheat **accumulated exports to date** are sharply below last year's pace and the 5-year average. Both HRW and SRW accumulated exports are below the pace of their 5-year averages and especially below last year's pace; however, the pace last year for these two classes was substantially above their 5-year average. Accumulated HRS exports have picked up in recent weeks, closing in on last year's pace, but are still substantially behind the 5-year average. Accumulated white wheat exports have fallen off the pace with the 5-year average in recent weeks, but are still substantially above last year's pace. Accumulated durum exports sharply exceed both last year's pace and the 5-year average. U.S. exports of durum to the European Union and North Africa are up this year.

Total **projected exports** for 2009/10, at 865 million bushels, are raised 40 million bushels from March based on the pace to date. They are down 150 million bushels from 2008/09 as relatively high U.S. prices and strong competition, particularly from the Black Sea exporters of Russia, Ukraine, and Kazakhstan, have limited export opportunities for U.S. wheat. The projected 2009/10 exports are down 398 million bushels from 2007/08. Exports in 2007/08 were a 15-year high as adverse weather around the world reduced global production and increased the demand for U.S. wheat. Farmers around the world responded to the high prices that resulted from the tight global stocks-to-use situation in 2007/08, and the resulting additional foreign supplies have steadily reduced the demand for relatively higher priced U.S. wheat.

There are **by-class export changes** from March based on the export pace to date and projected changes with U.S. export competitors. Projected HRW exports are raised 20 million bushels, HRS exports are raised 15 million bushels, and durum exports are raised 5 million bushels. Projected exports of SRW and white are unchanged from March.

Projected **ending stocks** for 2009/10 are lowered 51 million bushels from March to 950 million bushels. Ending stocks for 2009/10 are 293 million bushels above 2008/09 and 644 million bushels above 2007/08. Ending stocks for 2007/08 were the lowest since the late 1940s. The projected 2009/10 ending stocks are the highest since 1999/00. The month-to-month changes resulted in lower projected ending stocks for HRW, HRS, and durum. The projected ending stocks for SRW are higher, while white wheat is unchanged.

The year-to-year percentage increase in projected all-wheat ending stocks is 45 percent. Projected ending stock increases year-to-year for HRW, HRS, SRW, and durum are 57 percent, 76 percent, 24 percent, and 48 percent, respectively. In contrast, the projected ending stocks for white wheat are down year-to-year by 19 percent.

The projected marketing-year **average farm price** is narrowed 5 cents on both ends of the March range to \$4.85 to \$4.95 per bushel.

Crop Conditions Are Better Than a Year Ago

Overall, conditions for the 2010 crop are better than a year ago at this time. The NASS April 5 *Crop Progress* reported that 65 percent of the winter wheat crop was rated good to excellent and only 6 percent was rated poor to very poor. A year ago at this time, 43 percent of the winter wheat crop was rated good to excellent and 22 percent was rated poor to very poor.

The poor conditions for the 2009 crop were led by conditions in **Texas and Oklahoma**. A year ago, 64 percent of the Texas crop was rated poor to very poor compared to only 9 percent this year. Similarly for Oklahoma, 37 percent a year ago rated poor to very poor and only 5 percent this year. The 2010 winter wheat crop in three SRW States received lower ratings than the rest of the country. The wheat crops in **Illinois, Missouri, and North Carolina** have poor to very poor ratings of 30 percent, 24 percent, and 22 percent, respectively.

USDA Wheat Baseline, 2010-19

Each year, USDA updates its 10-year projections of supply and utilization for major field crops grown in the United States, including wheat. A detailed discussion summarizing the historical forces determining U.S. wheat supply and utilization and the analysis underlying the wheat projections for 2010-19 is available at <http://www.ers.usda.gov/briefing/wheat/2010baseline.htm>.

International Situation and Outlook

Global and Foreign Wheat Balance Almost Unchanged This Month

World wheat production for 2009/10 is projected up just 0.4 million tons to 678.4 million this month, while global supplies stay practically unchanged, as a 0.3-million-ton decrease in beginning stocks almost offsets the production increase.

The increase in production comes mainly from a 0.2-million-ton upward revision in Turkey, based on government sources and on private trade estimates and a 0.15-million-ton increase in Afghanistan, where final grain yields and production estimates were reassessed based on the results from improved correlation models for vegetative index data and crop yields. Small increases were also made for Pakistan, Israel, and Burma. A tiny reduction was made for Ecuador. In Argentina, the historical series for food use has been revised to reconcile with recently published mill-grind data. The country's historical series for wheat area also has been updated to better reflect the ongoing process of a gradual conversion of pasturelands into cropland, and production numbers have been revised accordingly.

The foreign wheat balance is virtually unchanged this month. Beginning stocks for 2009/10 declined 0.3 million tons. Stocks have been revised down for Pakistan, Egypt, and Argentina by a total of 1.0 million tons, and upward for Morocco, Algeria, Israel, Syria, and Uruguay by a total of 0.7 million tons.

Foreign wheat consumption is projected up 0.7 million tons to 615.9 million this month. Foreign feed and residual use is expected to be higher by 1.0 million tons, while food use is reduced 0.3 million. The main increases in wheat feed use are for Russia (up 1.0 million tons), where poultry production is rapidly expanding (12 percent growth in the current year) and Ukraine (up 0.5 million tons), where pork production is up by 16 percent on the previous year. Smaller increases in wheat consumption are projected for Nigeria, United Arab Emirates, and Vietnam (0.2 million tons each, reflecting higher imports), Afghanistan and Morocco (0.15 million tons each with higher beginning stocks in both and higher production in Afghanistan due to production and beginning stocks growth), as well as a small amount for Burma, Eritrea, and Tanzania. The biggest decrease in wheat consumption is for EU-27 (1.5 million tons), where both feed and food use are adjusted downward, reflecting EU-27 country-by-country revisions that corrected the aggregate overestimation in both feed and food use, and brings new estimates in line with the numbers maintained by European statistical agencies. Smaller downward adjustments are made for Algeria (food use down 0.15 million tons based on lower imports), as well as for Pakistan, Turkey, Argentina, and Israel. For Egypt, a review of domestic consumption estimates showed that the series understated feed and residual use while overstating food consumption, and resulted in shifting a 0.5 million tons of wheat from food to feed use, leaving total domestic consumption for 2009/10 practically unchanged.

Foreign wheat ending stocks for 2009/10 are projected up 0.4 million tons to 170 million tons this month, while global ending stocks are down 1 million tons to 195.82 million, due to a 1.4-million-ton stocks reduction in the United States. Ending stocks are revised up 0.5 million tons each for Australia and Canada reflecting reduced wheat exports; for India stocks are up 0.25 million tons because of a combination of higher imports and reduced exports; for Egypt and Morocco

stocks are up 0.15 and 0.1 million tons respectively; smaller stock increases are made for Syria and Uruguay (0.05 million tons each), and Israel and Sri Lanka (0.02 million tons each).

The total increase of 1.65 million tons is partly offset by an ending stocks reduction in Russia and Ukraine by 0.5 million tons each reflecting higher wheat feeding, and in Pakistan by 0.2 million tons because of a 2008/09 0.5-million-ton downward production revision, which is partly offset by reduced 2009/10 exports and food use. There are also very small decreases this month in wheat ending stocks for Argentina and Ecuador.

World Wheat Trade Is Up Slightly, U.S Exports Boosted

World wheat trade is increased 0.7 million tons this month. Wheat exports are increased this month for EU-27, up 1 million tons to 20 million, and for Turkey, up 0.6 million tons to 3.2 million. The increase in EU-27 exports is based on evidence of a strong pace of export licenses and the EU's increasing competitiveness in the Black Sea region, largely because of considerable depreciation of the euro vis-à-vis the Russian ruble (more than 10 percent since the beginning of 2010 calendar year), and to lesser extent vis-à-vis the Ukrainian hryvnia (around 8 percent). Turkish wheat exports are increased as the country has been demonstrating stronger-than-anticipated growth of wheat flour exports to Indonesia and Iraq.

Wheat exports are decreased this month for Australia, Canada, and Russia by 0.5 million tons each. Australian exports are down the second month in a row to 14.0 million tons, reflecting the weak pace of Australian exports which is partly the consequence of continuing appreciation of the Australian dollar vis-à-vis U.S. dollar. Canadian wheat exports are cut 0.5 million tons to 18.0 million as the Canadian Wheat Board has not sold and shipped as much durum wheat as expected despite plentiful supplies. A 0.5-million-ton decrease in Russia's wheat exports to 17.5 million tons is a result of loss of competitiveness in the Black Sea market (as mentioned previously). In addition to the country's currency appreciation, Russia has already tapped out almost all exports from its southern European region (that are relatively close to Black Sea ports). The country is facing difficulties exporting wheat from distant locations in Siberia where supplies are abundant, but the farm price is still not low enough to be competitive given recently increased transportation tariffs. Wheat exports are also lowered for Pakistan by 0.2 million tons to 0.3 million, for India by 0.15 million tons to 0.1 million, and by a small amount for Sri Lanka.

The largest increase this month in wheat imports is for Egypt, up 0.5 million tons to 9.3 million. The country continues to import large quantities of wheat from the Black Sea, mainly from Russia and EU-27 (primarily France). Evidence of rising shipments supports an increase in projected imports for the following countries: Turkey up by 0.3 million tons to 2.8 million as it imports wheat grain while exporting mainly wheat flour; Nigeria, UAE, and Vietnam up by 0.2 million tons each; India up 0.1 million tons to 0.3 million; and smaller increases for Eritrea, Tanzania, and Burma. At the same time, a lower pace of wheat sales is reflected in reduced imports for EU-27 (by 0.5 million tons to 6 million), Algeria (by 0.3 million tons), and Israel (0.2 million tons).

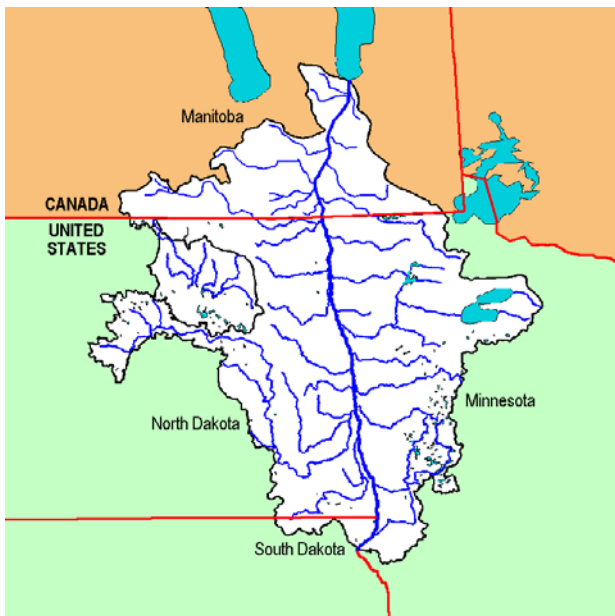
U.S. 2009/10 July-June trade year wheat exports are forecast up 1.0 million tons this month to 23.5 million (up 40 million bushels to 865 million for the June-May local marketing year). The pace of recent sales and shipments supports an increase that puts exports 3.8 million tons lower than a year earlier, when exports reached 27.3 million tons. U.S. Census estimates of wheat exports for July 2009 through February 2010 reached 15.5 million tons, 3.9 million lower compared with the same period a year earlier. Grain inspections for March and outstanding sales at the end of March were slightly above last year's level.

Kelsey Wittenberger and Heather Lutman¹

¹ Agricultural economists with Market and Trade Economics Division ERS

Early warm temperatures and unusually moist conditions have generally benefited U.S. winter wheat producers across the Midwest and Plains. Spring wheat producers in the northern Midwest may find their planting decisions affected by the same weather conditions, which have contributed to an early snowmelt and spring flooding. As of April 3, the U.S. Commerce Department's National Oceanic and Atmospheric Administration reported that most counties in the Plains States had unusually moist to extremely moist soil conditions. The medium-term weather outlook, however, is generally favorable for fieldwork, with warm temperatures and little rain expected throughout the northern Midwest.

Moist conditions mixed with rapidly melting snowpack in the northern Midwest resulted in flooding in mid-March. While these floods were less dramatic than in 2009, conditions were still among the worst on record. In particular, flooding along the Red River Basin was severe, with waters cresting at 36.99 inches in Fargo, North Dakota on March 22 to reach the seventh-highest level on record. Other rivers also reached near-record flooding conditions, including the James River in North Dakota and South Dakota and numerous rivers and streams throughout western Iowa and Missouri. Few cities have experienced major damage from these floods; however, farmland throughout the Red River Basin region has been inundated by runoff.



Source: Red River Basin, Decision Information Network

Flooding has occurred earlier than normal this year, and a week earlier than in 2009, increasing the likelihood that fieldwork and planting can progress normally. In addition, warm, dry weather throughout the last two weeks of March has helped to ease concerns. Wheat is typically planted in mid-May allowing it to go through heading and grain fill ahead of late-summer heat. Delays in planting progress can cause producers to switch to alternative, more heat-tolerant crops such as dry beans, soybeans, sunflowers, or oats as shown by planting and harvesting dates for major crops in North Dakota in table 1.

Description of Normal Climate Conditions in the Northern Midwest

The conditions that contribute to flooding of the Red River and its tributaries result from the geographic features and the normal annual climate cycle for the region. The Red River flows slowly northward within a broad, gently sloping flood plain from its source region in northeastern South Dakota/west-central Minnesota to Lake Winnipeg in southern Manitoba, Canada. In the southern part of the Red River Basin, daily mean temperatures normally remain below freezing from mid-November through late February/early March, and then increase to almost 50 degrees F by the end of April. As might be expected, daily mean temperatures in the northern part of the basin throughout the winter and spring average slightly cooler than those in the south. Temperatures in the northern basin remain below freezing from late October to early April, then increase to 44 degrees-46 degrees F by the end of April.

This unique relationship between climate and geography makes the Red River Valley particularly susceptible to flooding during March and April. In particular, the normal annual cycle in air temperature favors a south-to-north progression of the spring thaw, which is characterized by the melting of snow and river ice in the south during March while the downstream river channel remains frozen. These conditions favor flooding of the Red River and a backfill of the runoff into the river's tributaries.

The springtime thaw is particularly sensitive to modest departures from normal in the annual cycle of air temperature, with increased flooding typically observed during heavy snow years in which the thaw is delayed and confined to the southern part of the basin. In contrast, less flooding is typically observed during years in which the thaw is well established by March throughout the entire basin. Flooding is also influenced by the diurnal freeze/thaw cycle. A more gradual thaw, and therefore reduced flooding, occurs when daily high temperatures during March are above freezing and daily minimum temperatures continually drop below freezing.²

Past Floods of the Red River Valley and Surrounding Area

Substantial flooding occurred in the Red River Valley during April 1997, and persisted through early April. The primary cause of this flooding was an abnormal thaw during March and April of substantial winter snow and river ice. Most of the flooding event in 1997 occurred during April, which was closer to planting time for the summer crops. Saturated soils delayed the start of spring planting and kept farmers out of the fields until mid-May. However, after the floodwaters receded, drier weather persisted and farmers were able to catch up with plantings. By spring's end, little more than one month after the Red River flood, topsoil moisture was unfavorably low across North Dakota.

² Climate Prediction Center
National Weather Service. 2009.
Regional climate highlights.

The 2009 flood had similar effects as the 1997 flood with floodwaters in Fargo, ND cresting at a record high in late March. Additional rain and snow boosted the Red River above flood stage again in mid-April 2009, though not as severely as in previous weeks. Extended flooding delayed fieldwork, and some acreage may have shifted from wheat to other crops. The remaining 2009 growing season had below-normal temperatures, adequate moisture, and an extended warm fall harvest window. North Dakota experienced record high yields in both durum wheat and other spring wheat production.

Table 1: Usual planting and harvesting dates in North Dakota, select crops

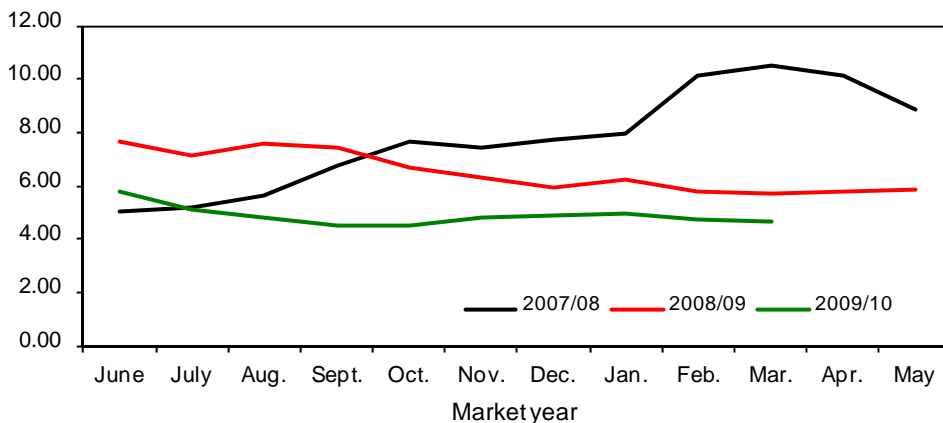
Crop	2008 Harvested acres (1,000) ²	Usual planting dates ¹			Usual harvesting dates ¹		
		Begin	Most active	End	Begin	Most active	End
Barley, spring	1,130	Apr 21	May 2 - May 15	May 26	Jul 30	Aug 8 - Aug 23	Sept 6
Beans, dry	580	May 15	May 21 - June 1	June 8	Sept 2	Sept 12 - Sept 30	Oct 15
Corn, for grain	1,750	May 3	May 13 - May 26	June 5	Sept 29	Oct 10 - Oct 27	Nov 9
Oats, spring	130	Apr 22	May 2 - May 17	May 28	Aug 25	Aug 11 - Aug 27	Sept 10
Soybeans	3,870	May 12	May 19 - May 29	June 6	Sept 16	Sept 26 - Oct 11	Oct 22
Sunflowers	868	May 15	May 23 - June 4	June 13	Oct 1	Oct 11 - Oct 24	Nov 7
Wheat, durum	1,570	Apr 26	May 7 - May 21	May 31	Aug 9	Aug 21 - Sept 9	Sept 22
Wheat, other spring	6,300	Apr 19	May 1 - May 16	May 27	Aug 4	Aug 14 - Sept 1	Sept 14

Source: 1/ USDA, NASS, Usual Planting and Harvesting Dates, Dec 1997.

2/ USDA, NASS, Quick Stats, March 2010.

Figure 1
All wheat average prices received by farmers

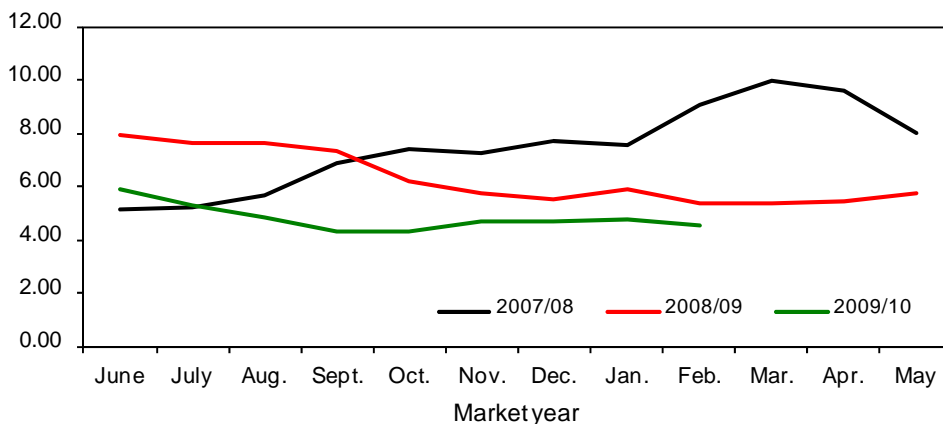
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 2
Hard red winter wheat average prices received by farmers

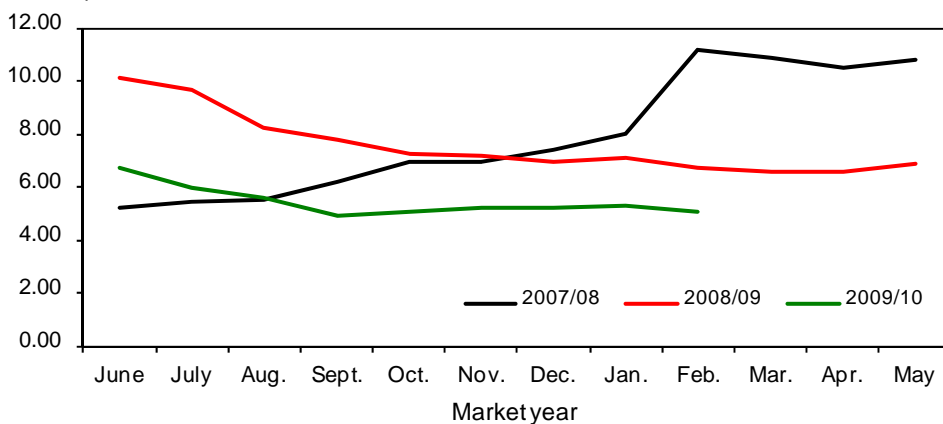
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 3
Hard red spring wheat average prices received by farmers

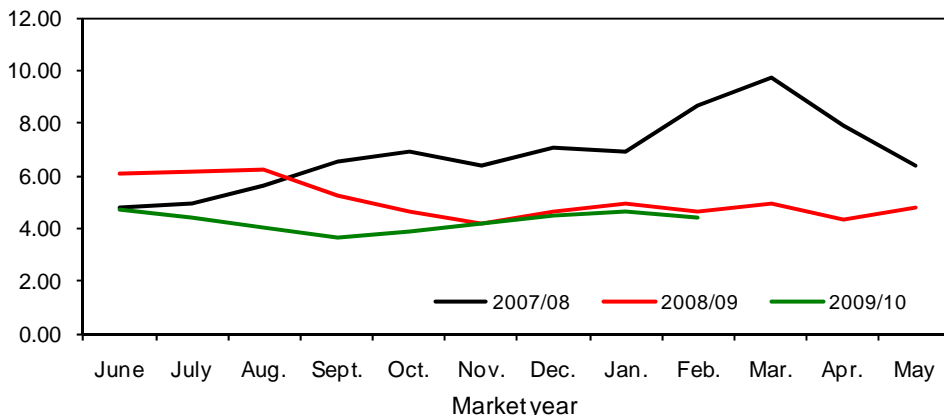
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 4
Soft red winter wheat average prices received by farmers

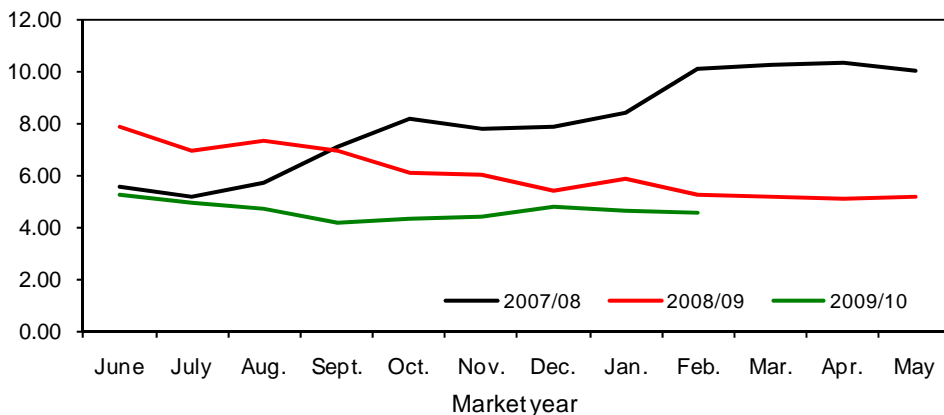
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 5
Soft white wheat average prices received by farmers

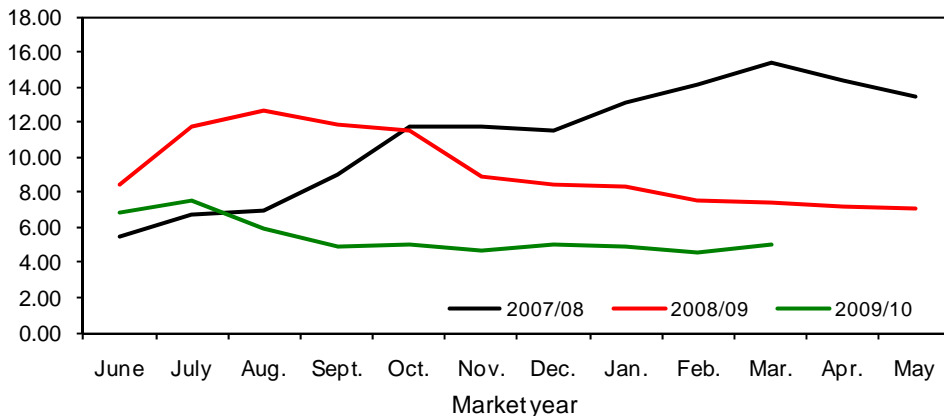
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 6
Durum wheat average prices received by farmers

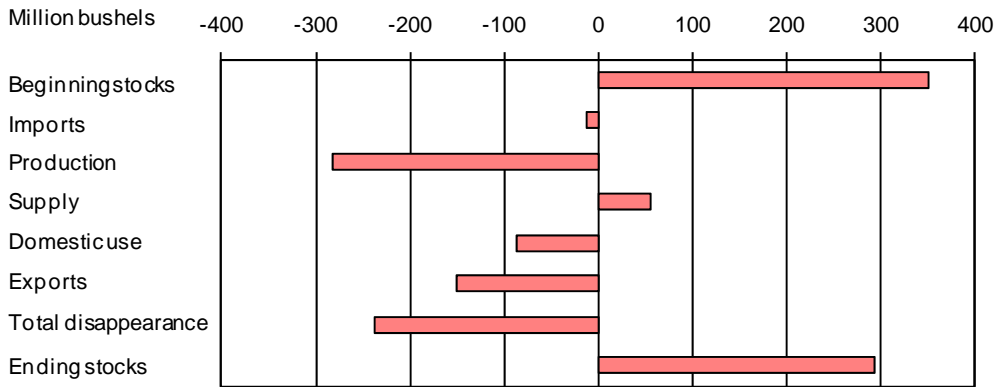
Dollars per bushel



Source: USDA, National Agricultural Statistics Service, *Agricultural Prices*.

Figure 7

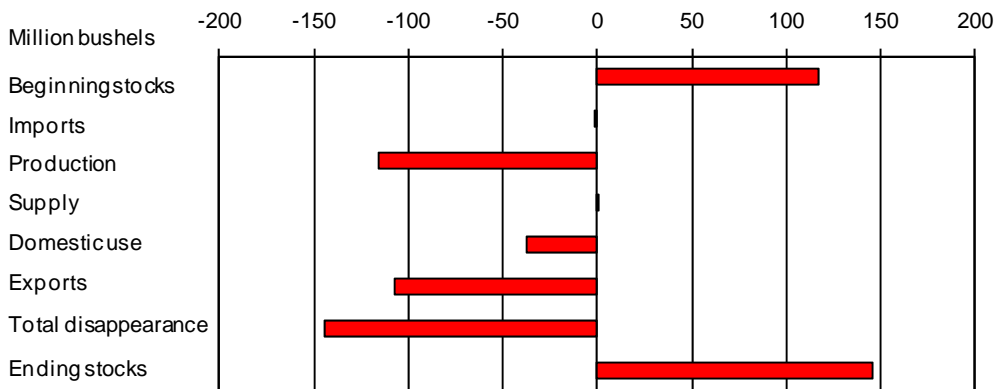
All wheat: U.S. supply and disappearance change from prior market year



Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Figure 8

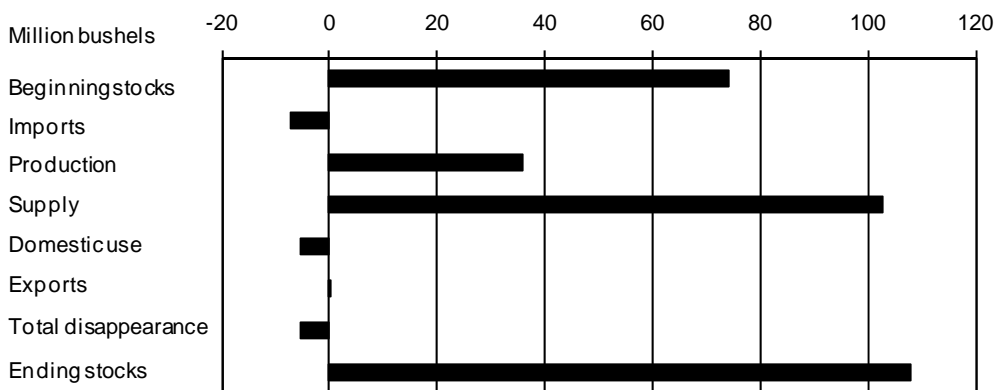
Hard red winter wheat: U.S. supply and disappearance change from prior market year



Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

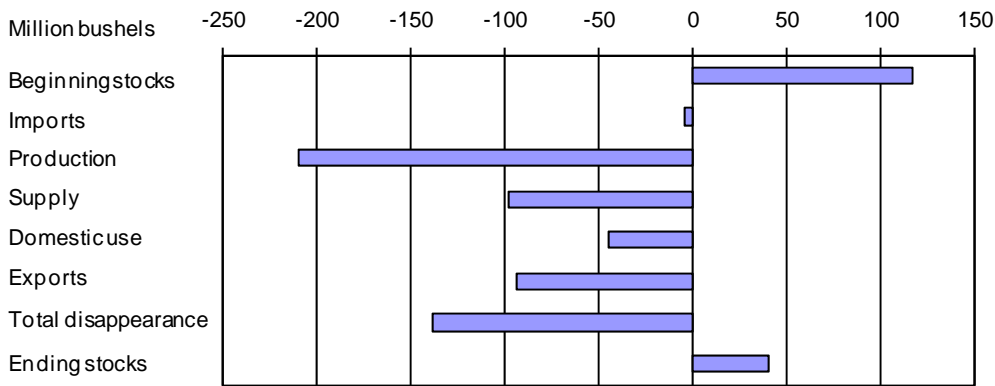
Figure 9

Hard red spring wheat: U.S. supply and disappearance change from prior market year



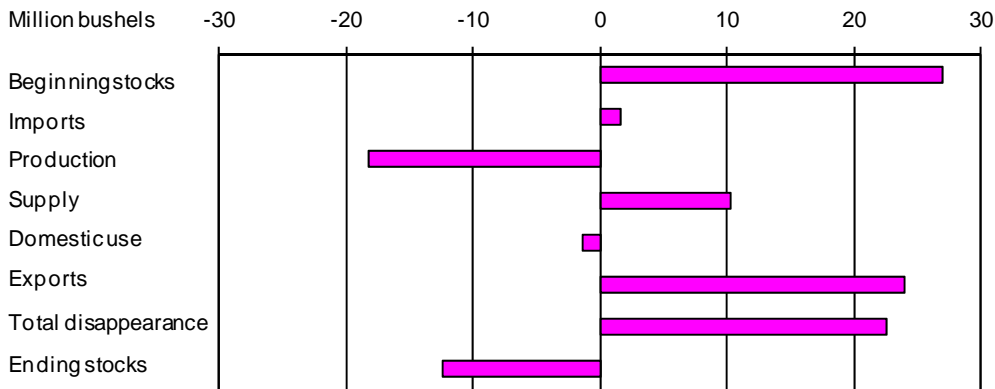
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Figure 10
Soft red winter wheat: U.S. supply and disappearance change from prior market year



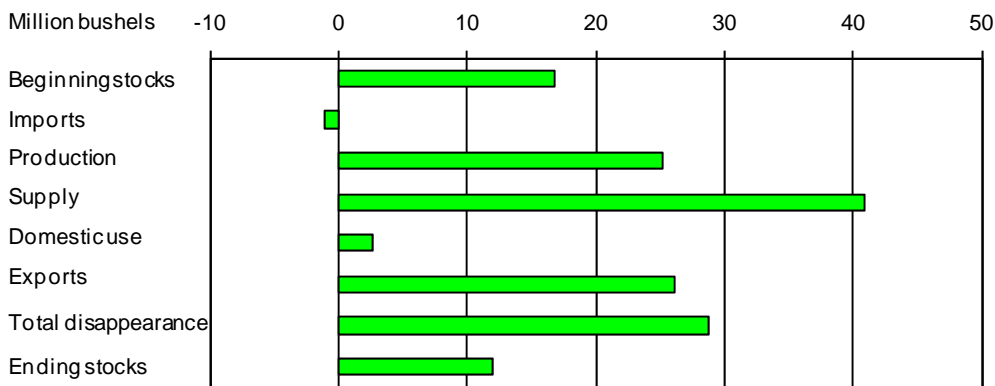
Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Figure 11
White wheat: U.S. supply and disappearance change from prior market year



Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Figure 12
Durum: U.S. supply and disappearance change from prior market year



Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Contacts and Links

Contact Information

Gary Vocke (domestic), (202) 694-5285, gvocke@ers.usda.gov
Edward Allen (international), (202) 694-5288, ewallen@ers.usda.gov
Olga Liefert (international), (202) 694-5155, oliefert@ers.usda.gov
Beverly Payton (Web Publishing), (202) 694-5165, bpayton@ers.usda.gov

Subscription Information

Subscribe to ERS' e-mail notification service at <http://www.ers.usda.gov/updates/> to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number).

Data

Monthly tables from *Wheat Outlook* are available in Excel (.xls) spreadsheets at <http://www.ers.usda.gov/briefing/wheat/data.htm>. These tables contain the latest data on supply and disappearance, monthly food-use estimates, prices, exports, and imports.

Related Websites

Wheat Outlook

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1293>

WASDE

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

Grain Circular, http://www.fas.usda.gov/grain_arc.asp

Wheat Briefing Room, <http://www.ers.usda.gov/briefing/wheat/>

E-mail Notification

Readers of ERS outlook reports have two ways they can receive an e-mail notice about release of reports and associated data.

- Receive timely notification (soon after the report is posted on the web) via USDA's Economics, Statistics and Market Information System (which is housed at Cornell University's Mann Library). Go to <http://usda.mannlib.cornell.edu/MannUsda/aboutEmailService.do> and follow the instructions to receive e-mail notices about ERS, Agricultural Marketing Service, National Agricultural Statistics Service, and World Agricultural Outlook Board products.

- Receive weekly notification (on Friday afternoon) via the ERS website. Go to <http://www.ers.usda.gov/Updates/> and follow the instructions to receive notices about ERS outlook reports, Amber Waves magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to <http://www.ers.usda.gov/rss/> to get started.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

Table 1--Wheat: U.S. market year supply and disappearance, 4/13/2010

Item and unit		2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10
Area:								
Planted	Million acres	62.1	59.6	57.2	57.3	60.5	63.2	59.1
Harvested	Million acres	53.1	50.0	50.1	46.8	51.0	55.7	49.9
Yield	Bushels per acre	44.2	43.2	42.0	38.6	40.2	44.9	44.4
Supply:								
Beginning stocks	Million bushels	491.4	546.4	540.1	571.2	456.2	305.8	656.5
Production	Million bushels	2,344.4	2,156.8	2,103.3	1,808.4	2,051.1	2,499.2	2,216.2
Imports 1/	Million bushels	63.0	70.6	81.4	121.9	112.6	127.0	115.0
Total supply	Million bushels	2,898.9	2,773.8	2,724.8	2,501.5	2,619.9	2,932.0	2,987.7
Disappearance:								
Food use	Million bushels	911.9	909.6	917.1	937.9	947.9	926.6	920.0
Seed use	Million bushels	79.7	77.6	77.1	81.9	87.6	75.1	73.1
Feed and residual use	Million bushels	202.5	180.6	156.6	117.1	16.0	258.3	180.0
Total domestic use	Million bushels	1,194.1	1,167.8	1,150.8	1,136.8	1,051.4	1,260.0	1,173.1
Exports 1/	Million bushels	1,158.3	1,065.9	1,002.8	908.5	1,262.6	1,015.5	865.0
Total disappearance	Million bushels	2,352.4	2,233.7	2,153.6	2,045.3	2,314.1	2,275.5	2,038.1
Ending stocks	Million bushels	546.4	540.1	571.2	456.2	305.8	656.5	949.6
CCC inventory 2/	Million bushels	61.0	54.0	43.0	41.0			
Stocks-to-use ratio		23.2	24.2	26.5	22.3	13.2	28.9	46.6
Contract/direct payment rate	Dollars per bushel	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Farm price 3/	Dollars per bushel	3.40	3.40	3.42	4.26	6.48	6.78	4.85-4.95
Government payments	Million dollars	1,237	1,218	1,151	1,120	1,118	1,118	
Market value of production	Million dollars	7,929	7,283	7,171	7,695	13,289	16,944	10,859

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.

1/ Includes flour and selected other products expressed in grain-equivalent bushels.

2/ Stocks owned by USDA's Commodity Credit Corporation (CCC). Most CCC-owned inventory is in the Bill Emerson Humanitarian Trust.

3/ U.S. season-average price based on monthly prices weighted by monthly marketings. Prices do not include an allowance for loans outstanding and government purchases.

Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 4/12/2010

Table 2--Wheat: U.S. market year supply and disappearance, 4/13/2010

Market year, item, and unit			All wheat	Hard red winter 1/	Hard red spring 1/	Soft red winter 1/	White 1/	Durum
2008/09	Area:							
	Planted acreage	Million acres	63.19	31.34	13.45	11.20	4.49	2.72
	Harvested acreage	Million acres	55.70	25.93	12.83	10.08	4.28	2.57
	Yield	Bushels per acre	44.87	39.90	39.91	60.88	59.53	32.57
	Supply:							
	Beginning stocks	Million bushels	305.82	137.53	68.00	55.00	37.00	8.29
	Production	Million bushels	2,499.16	1,034.69	512.14	613.58	254.93	83.83
	Imports 2/	Million bushels	126.98	1.51	45.24	33.60	8.48	38.15
	Total supply	Million bushels	2,931.96	1,173.74	625.37	702.18	300.41	130.27
	Disappearance:							
	Food use	Million bushels	926.60	384.42	224.16	155.00	85.00	78.03
	Seed use	Million bushels	75.08	35.47	17.06	15.93	4.61	2.02
	Feed and residual use	Million bushels	258.28	52.49	32.20	161.49	10.78	1.32
	Total domestic use	Million bushels	1,259.97	472.38	273.42	332.42	100.39	81.37
	Exports 2/	Million bushels	1,015.49	446.93	209.96	198.76	136.02	23.83
	Total disappearance	Million bushels	2,275.46	919.31	483.37	531.18	236.41	105.20
	Ending stocks	Million bushels	656.51	254.43	142.00	171.00	64.00	25.07
2009/10	Area:							
	Planted acreage	Million acres	59.13	31.65	12.61	8.31	4.01	2.55
	Harvested acreage	Million acres	49.87	24.14	12.32	7.19	3.79	2.43
	Yield	Bushels per acre	44.44	38.08	44.48	56.10	62.38	44.91
	Supply:							
	Beginning stocks	Million bushels	656.51	254.43	142.00	171.00	64.00	25.07
	Production	Million bushels	2,216.17	919.02	547.93	403.56	236.62	109.04
	Imports 2/	Million bushels	115.00	1.00	38.00	29.00	10.00	37.00
	Total supply	Million bushels	2,987.68	1,174.45	727.93	603.56	310.62	171.12
	Disappearance:							
	Food use	Million bushels	920.00	373.00	228.00	156.00	83.00	80.00
	Seed use	Million bushels	73.07	31.70	20.00	11.37	6.00	4.00
	Feed and residual use	Million bushels	180.00	30.00	20.00	120.00	10.00	.00
	Total domestic use	Million bushels	1,173.07	434.70	268.00	287.37	99.00	84.00
	Exports 2/	Million bushels	865.00	340.00	210.00	105.00	160.00	50.00
	Total disappearance	Million bushels	2,038.07	774.70	478.00	392.37	259.00	134.00
	Ending stocks	Million bushels	949.61	399.74	249.93	211.20	51.62	37.12

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.

1/ Area and yield data are unpublished National Agricultural Statistics Service data. Supply and disappearance data, except production, are approximations.

2/ Includes flour and selected other products expressed in grain-equivalent bushels.

Source: USDA, National Agricultural Statistics Service, Crop Production and unpublished data; and USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 4/12/2010

Table 3--Wheat: U.S. quarterly supply and disappearance (million bushels), 4/13/2010

Market year and quarter	Production	Imports 1/	Total supply	Food use	Seed use	Feed and residual use	Exports 1/	Ending stocks	
2001/02	Jun-Aug	1,947	26	2,849	234	3	238	218	2,156
	Sep-Nov		29	2,185	245	52	-23	288	1,623
	Dec-Feb		28	1,651	221	2	-7	225	1,210
	Mar-May		25	1,235	226	26	-26	231	777
	Mkt. year	1,947	108	2,931	926	83	182	962	777
2002/03	Jun-Aug	1,606	27	2,410	233	3	185	240	1,749
	Sep-Nov		23	1,772	238	55	-75	235	1,320
	Dec-Feb		13	1,333	219	3	14	190	907
	Mar-May		15	922	229	24	-8	186	491
	Mkt. year	1,606	77	2,460	919	84	116	850	491
2003/04	Jun-Aug	2,344	16	2,852	231	2	315	265	2,039
	Sep-Nov		18	2,057	240	53	-62	305	1,520
	Dec-Feb		13	1,533	216	2	3	291	1,021
	Mar-May		17	1,037	226	22	-54	296	546
	Mkt. year	2,344	63	2,899	912	80	203	1,158	546
2004/05	Jun-Aug	2,157	17	2,721	227	4	264	287	1,938
	Sep-Nov		19	1,957	236	47	-56	300	1,430
	Dec-Feb		18	1,448	218	2	3	240	984
	Mar-May		17	1,001	229	24	-31	239	540
	Mkt. year	2,157	71	2,774	910	78	181	1,066	540
2005/06	Jun-Aug	2,103	19	2,662	231	2	261	244	1,923
	Sep-Nov		20	1,944	238	50	-61	286	1,429
	Dec-Feb		20	1,450	219	1	4	252	972
	Mar-May		22	995	228	24	-49	220	571
	Mkt. year	2,103	81	2,725	917	77	157	1,003	571
2006/07	Jun-Aug	1,808	26	2,406	235	2	205	214	1,751
	Sep-Nov		29	1,780	243	56	-47	212	1,315
	Dec-Feb		32	1,346	225	1	28	235	857
	Mar-May		34	891	234	22	-69	247	456
	Mkt. year	1,808	122	2,501	938	82	117	908	456
2007/08	Jun-Aug	2,051	30	2,538	240	1	257	323	1,717
	Sep-Nov		21	1,738	245	60	-120	421	1,132
	Dec-Feb		24	1,156	227	2	-44	261	709
	Mar-May		37	746	236	25	-77	257	306
	Mkt. year	2,051	113	2,620	948	88	16	1,263	306
2008/09	Jun-Aug	2,499	28	2,833	236	2	393	345	1,858
	Sep-Nov		28	1,886	238	54	-124	295	1,422
	Dec-Feb		36	1,458	219	1	28	170	1,040
	Mar-May		35	1,075	233	18	-38	206	657
	Mkt. year	2,499	127	2,932	927	75	258	1,015	657
2009/10	Jun-Aug	2,216	28	2,900	231	1	259	199	2,209
	Sep-Nov		24	2,234	237	46	-84	253	1,782
	Dec-Feb		25	1,806	220	1	31	202	1,352
	Mkt. year	2,216	115	2,988	920	73	180	865	950

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.

1/ Includes flour and selected other products expressed in grain-equivalent bushels.

Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Date run: 4/12/2010

Table 4--Wheat: Monthly food disappearance estimates (1,000 grain-equivalent bushels), 4/13/2010

Mkt year and month 1/	Wheat ground for flour	+	Food imports 2/	+	Nonmilled food use 3/	-	Food exports 2/	=	Food use 4/
2008/09	Jun	73,124		2,436		2,000		1,954	75,605
	Jul	74,811		2,311		2,000		1,995	77,127
	Aug	81,763		2,106		2,000		2,403	83,467
	Sep	78,621		1,848		2,000		2,500	79,969
	Oct	78,898		1,943		2,000		2,402	80,439
	Nov	75,517		2,129		2,000		1,634	78,012
	Dec	70,884		1,999		2,000		1,743	73,140
	Jan	71,437		1,902		2,000		1,865	73,475
	Feb	70,870		1,755		2,000		1,864	72,761
	Mar	75,190		2,120		2,000		1,194	78,116
	Apr	73,675		2,082		2,000		1,257	76,500
	May	75,330		2,068		2,000		1,406	77,992
2009/10	Jun	72,072		2,010		2,000		2,505	73,576
	Jul	74,095		1,984		2,000		2,047	76,031
	Aug	80,980		2,164		2,000		3,420	81,724
	Sep	77,868		1,960		2,000		1,901	79,927
	Oct	78,628		2,302		2,000		2,824	80,105
	Nov	75,259		2,186		2,000		2,450	76,995
	Dec	70,642		2,108		2,000		1,592	73,157
	Jan			2,038				1,896	142

1/ Current year is preliminary. Previous year is preliminary through August of current year, estimated afterwards.

2/ Food imports and exports used to calculate total food use. Includes all categories of wheat flour, semolina, bulgur, and couscous and selected categories of pasta.

3/ Wheat prepared for food use by processes other than milling.

4/ Estimated food use equals wheat ground for flour plus food imports plus nonmilled food use minus food exports. See <http://www.ers.usda.gov/Briefing/Wheat/wheatfooduse.htm> for more information.

Sources: Calculated using data from U.S. Department of Commerce, Bureau of the Census, Flour Milling Products (MQ311A) and Foreign Trade Statistics.

Date run: 4/12/2010

Table 5--Wheat: National average price received by farmers (dollars per bushel) 1/, 4/13/2010

Month	All wheat		Winter		Durum		Other spring	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	7.62	5.74	7.51	5.49	8.48	6.83	10.10	6.66
July	7.15	5.13	7.10	4.98	11.70	7.57	9.52	5.96
August	7.61	4.83	7.30	4.67	12.60	5.90	8.18	5.52
September	7.43	4.48	6.99	4.20	11.90	4.93	7.76	4.85
October	6.65	4.47	6.03	4.26	11.50	4.97	7.20	4.99
November	6.29	4.79	5.65	4.60	8.93	4.62	7.10	5.19
December	5.95	4.85	5.40	4.68	8.40	4.98	6.89	5.14
January	6.20	4.92	5.70	4.68	8.26	4.95	7.02	5.29
February	5.79	4.73	5.26	4.52	7.53	4.61	6.61	5.05
March	5.71	4.63	5.27	4.20	7.40	5.03	6.50	5.13
April	5.75		5.26		7.18		6.49	
May	5.84		5.52		7.05		6.76	

1/ Preliminary mid-month, weighted-average price for current month.

Source: USDA, National Agricultural Statistics Service, Agricultural Prices.

Table 6--Wheat: National average prices received by farmers by class (dollars per bushel), 4/13/2010

Month	Hard red winter		Soft red winter		Hard red spring		White	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	7.91	5.89	6.07	4.69	10.10	6.72	7.88	5.25
July	7.59	5.30	6.15	4.38	9.68	5.99	6.89	4.95
August	7.61	4.82	6.19	4.04	8.20	5.57	7.31	4.70
September	7.31	4.33	5.27	3.64	7.80	4.87	6.96	4.14
October	6.20	4.28	4.60	3.84	7.27	5.04	6.10	4.30
November	5.72	4.68	4.17	4.21	7.17	5.24	5.97	4.39
December	5.48	4.68	4.63	4.50	6.97	5.17	5.39	4.74
January	5.86	4.73	4.92	4.61	7.10	5.32	5.83	4.59
February	5.39	4.54	4.61	4.37	6.73	5.06	5.26	4.52
March	5.37		4.97		6.57		5.12	
April	5.47		4.31		6.57		5.10	
May	5.76		4.75		6.90		5.13	

Source: USDA, National Agricultural Statistics Service, Agricultural Prices.

Date run: 4/12/2010

Table 7--Wheat: Average cash grain bids at principal markets, 4/13/2010

Month	No. 1 hard red winter (ordinary protein) Kansas City, MO (dollars per bushel)		No. 1 hard red winter (13% protein) Kansas City, MO (dollars per bushel)		No. 1 hard red winter (ordinary protein) Portland, OR (dollars per bushel)		No. 2 hard red winter (ordinary protein) Gulf ports, LA 1/ (dollars per metric ton)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	9.19	6.63	10.82	7.07	--	6.09	346.60	--
July	8.68	5.58	8.97	6.30	8.49	5.38	329.60	221.42
August	8.64	5.15	9.02	5.68	8.76	5.03	335.61	205.48
September	7.52	4.56	7.87	5.13	7.63	4.69	299.06	--
October	6.17	5.06	6.58	5.47	--	4.91	245.15	--
November	6.21	5.58	6.55	5.99	--	5.09	236.57	--
December	6.06	5.37	6.45	5.94	5.44	5.10	--	--
January	6.59	5.24	6.98	5.78	5.91	--	247.93	--
February	6.21	5.10	6.50	5.61	5.51	4.61	--	--
March	6.23		6.60		5.59		--	--
April	6.10		6.63		6.14		--	--
May	6.70		7.24		6.08		--	--

Month	No. 1 dark northern spring (13% protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14% protein) Minneapolis, MN (dollars per bushel)		No. 1 dark northern spring (14% protein) Portland, OR (dollars per bushel)		No. 1 hard amber durum Minneapolis, MN (dollars per bushel)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	11.35	7.39	11.46	7.96	10.79	7.99	--	--
July	11.35	6.30	11.46	6.82	9.69	7.02	--	--
August	9.38	5.73	9.87	6.17	9.85	6.37	--	--
September	7.91	5.06	8.51	6.30	9.14	6.11	--	--
October	6.93	5.35	7.37	6.36	7.94	6.50	--	--
November	6.61	5.90	6.80	7.29	8.12	6.95	--	--
December	6.78	5.46	7.78	6.79	8.00	7.08	--	--
January	7.02	6.02	8.02	7.39	8.21	6.71	--	--
February	6.84	6.03	7.64	7.57	7.83	6.76	--	--
March	6.78		7.57		7.82		--	--
April	6.98		7.72		7.83		--	--
May	7.52		8.13		8.27		--	--

Month	No. 2 soft red winter St. Louis, MO (dollars per bushel)		No. 2 soft red winter Chicago, IL (dollars per bushel)		No. 2 soft red winter Toledo, OH (dollars per bushel)		No. 1 soft white Portland, OR (dollars per bushel)	
	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10	2008/09	2009/10
June	6.20	5.04	7.20	4.96	7.39	4.85	7.97	5.91
July	5.92	4.14	6.87	4.45	6.59	4.21	7.93	5.32
August	6.05	3.33	6.77	4.18	6.29	4.09	8.23	4.90
September	5.17	2.68	5.45	3.70	5.15	3.72	6.91	4.53
October	3.96	3.04	3.76	4.01	4.02	4.09	5.33	4.67
November	4.03	3.69	3.68	4.53	4.02	4.54	5.23	4.89
December	4.07	3.82	4.01	4.67	4.08	4.56	5.28	4.96
January	4.51	4.13	4.62	4.55	4.71	4.57	5.76	4.83
February	4.41	4.18	4.28	4.37	4.20	4.29	5.68	4.76
March	4.45		4.40		4.24		5.53	
April	4.44		4.43		4.28		5.46	
May	5.07		4.96		4.84		5.74	

-- = Not available or no quote.

1/ Free on board. Barge delivered to Louisiana gulf.

Source: USDA, Agricultural Marketing Service, State Grain Reports, <http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?>template=TemplateS&navID=MarketNewsAndTransportationData&leftNav=MarketNewsAndTransportationData&page=LSMarketNewsPa
geStateGrainReports.

Date run: 4/12/2010

Table 8--Wheat: U.S. exports and imports for last 6 months (1,000 bushels), 4/13/2010

Item		Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010
Exports	All wheat grain	68,321	100,213	77,627	68,117	54,438	65,060
	All wheat flour 1/	1,704	1,473	2,255	1,609	1,194	1,231
	All wheat products 2/	1,744	431	592	863	451	670
	Total all wheat	71,769	102,117	80,475	70,589	56,084	66,961
Imports	All wheat grain	5,764	5,683	7,202	4,890	5,082	9,321
	All wheat flour 1/	791	818	987	820	811	798
	All wheat products 2/	1,385	1,154	1,329	1,377	1,310	1,252
	Total all wheat	7,940	7,655	9,518	7,086	7,203	11,372

Totals may not add due to rounding.

1/ Expressed in grain-equivalent bushels. Includes meal, groats, and durum.

2/ Expressed in grain-equivalent bushels. Includes bulgur, couscous, and selected categories of pasta.

Source: U.S. Department of Commerce, U.S. Census Bureau, Foreign Trade Statistics; and ERS calculations using Census trade statistics.

Date run: 4/12/2010

Table 9--Wheat: U.S. exports, Census and export sales comparison (1,000 metric tons),4/11/10

Importing country	2007/08		2008/09		2009/10(as of 4/1/10)		
	Shipments				Shipments	Out-standing	Total
Data source	Census 1/	Export sales 2/	Census 1/	Export sales 2/	Export sales 2/		
Country:							
Japan	3,598	3,319	3,178	3,103	2,593	424	3,017
Nigeria	2,504	2,597	2,638	2,661	2,726	561	3,287
Mexico	2,575	2,568	2,617	2,423	1,581	298	1,879
Egypt	2,908	3,276	1,865	1,928	456	0	456
Iran	0	0	1,764	1,764	113	0	113
Philippines	1,525	1,538	1,461	1,480	1,240	439	1,679
Iraq	1,912	1,964	1,162	1,205	113	0	113
South Korea	1,499	1,509	1,131	1,127	852	316	1,168
Brazil	533	501	753	24	214	0	214
Colombia	949	948	806	749	495	26	521
EU-27	1,774	1,915	654	918	543	46	589
Total grain	33,636	32,564	27,029	25,973	16,143	3,435	19,578
Total (including products)	34,373	32,617	27,624	26,061	16,242	3,441	19,683
USDA forecast of Census							23,541

1/ Source is U.S. Census Bureau

2/ Source is Foreign Agricultural Service's weekly *U.S. Export Sales* report.

Source: USDA, Foreign Agricultural Service's, U.S. Export Sales: and U.S. Department of Commerce, U.S. Census Bureau.